(b) what are the names of the concerns holding licence for manufacturing cement and which are availing this concession, the amount of concession so far availed by each one of them in each of the last three years and so far in the current year stating the quantity of cement also; and

(c) whether this concession has been available to old manufacturers also who were able to enlarge their production capacity after the above mentioned date but without obtaining a fresh licence?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) Since 1-3-89 the General concessional rate of excise duty leviable on grey portland cement is Rs. 215 per tonne. The concessional rate of basic excise duty on cement manufactured by factories that have started production during the period 1st January, 1982 to 31st March, 1986 is Rs. 195 per tonne. In respect of factories that have started production on or after 1st April 1986, there is a concessional rate of basic excise duty of Rs. 165 per tonne. In the case of cement manufactured by factories with the total licensed capacity not exceeding 200 tonnes per day, the concessional rate of excise duty presently applicable is Rs. 115 per tonne.

(b) The information in this regard is being collected and will be laid on the Table of the House.

(c) Where the concessional rate of duty is related to the commencement of production it is available to such factories that have started production during the period in question.

Problems of Karnataka Cement Plants

1548. SHRI D. B. CHANDRE GODWA: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Mini Cement Plants in Karnataka are facing problems due to imposition of several restrictions by the Central Government;

(b) whether due to the decontrol of cement industry, the problems of the mini cement plants have been aggravated;

(c) whether Goverment of Karnataka have urged the Central Government to solve the problems faced by mini cement plants; and

(d) if so, what action Government propose to take in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) Mini cement plants were not subjected to price and distribution controls even when such controls were applicable to large cement plants.

(c) The Government of Karnataka have informed that they had taken up with the Central Government for reduction of excise duty on mini cement plants.

(b) and (d) Price and distribution controls on cement industry have been removed with effect from 1st March, 1989.

To improve the economic viability of mini cement plants, a concessional rate of excise duty of Rs. 115 per tonne has been prescribed with effect from the 1st March, 1989, for cement manufactured by factories using vertical shaft kiln and with total licensed capacity not exceeding 200 tonnes per day, as against the general excise duty rate of Rs. 215 per tonne.

The concessional rate has been subsequently extended with effect from 27th April, 1989 to mini cement plants using rotary kiln with a capacity upto 200 tonnes per day.

The State Government of Karnataka have informed that they have taken action to open three depots in the State for the supply of coke breeze to help the Mini Cement Plants.